

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA

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| In Re: |) | |
| |) | Case No. 22-00744 |
| Debtor: Property Holders, LTD |) | Chapter 11 Subchapter V |
| |) | |
| |) | |
| |) | |
| Debtor and Debtor-in-Possession. |) | SUBCHAPTER V TRUSTEE |
| |) | Monthly Report on Plan Progress for |
| |) | October 2023 |

I. Summary:

- a. 357 17th ST SE is under contract and is scheduled to close on 11/24/23.
- b. 1713 7th Ave SE has been listed as of 9/23/23, it has also had several showings according to the realtor.
- c. 1841 Washington Ave SE was scheduled to be listed in October, as of 11/9/23 it has not been listed.
- d. 1748 C Ave was projected to be listed in the first week in November, as of 11/9/23 it has not been listed.
- e. Real estate Market conditions per debtors listing agent, Cory Rath:
 - i. "It's important to note that the market has changed drastically since last year and has been particularly bad since quarter two of this year with quarter three being even worse. From my research, the overall market is down nearly 40% and the majority of listings on the market in any price range have done price reductions, because they are not selling. The number of days on the market for most listings is quite high relative to what we have experienced in recent years, which has created confidence in buyers that they are now in control of the market. In textbook terms we are still in a sellers' market, but effectively that is not true, because of how quickly and drastically the market shifted downward."
- f. Rental Business:
 - i. Rental income for October is approximately \$12,000
 - ii. Debtor states they are moving to a month to month rental model
- g. Debtor has worked on a cash flow projection for the rental properties. It is still a work in progress and should be included in the next MORs.
- h. I have requested updated spreadsheets listing the properties and rental rate projections.
- i. Real estate taxes are now due. Debtor states they will be paid in late November.

- j. Overall progress for this month on listing properties has not met expectations or commitments. Rental income continues to be less than projected and the properties needing rehabilitation to include in the rental pool are not moving forward. There has been work done on the cash flow model for the ongoing rental business. This is a work in progress and needs additional work to prove the projections are attainable. The slowdown in the sales market will increase the time on the market for each listed property. This will also slow cash flow and debtors' ability to pay for expenses and improvements.

Date: 11/9/2023

/s/ Douglas D. Flugum

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Sub Chapter V Trustee